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December 28, 2013

Division of Public and Behavioral Health

Attn: Medical Marijuana Division 4150 Technology Way, Suite 104

Carson City, NV, 89706 Phone: (775) 687-7594 Fax: (775) 684-4256

medicalmarijuana@health.nv.gov

Re: Public Comment Regarding Nevada Residency of Applicants

INTRODUCTION

To begin I would like to thank everybody at the Nevada Division of Public and Behavioral Health for all of their hard work on this project. Throughout this process the Division has shown a genuine willingness to work with the patients, advocates and professionals as we work towards getting this emerging industry up and running. I look forward to continuing the dialogue with the Division as we move forward with the application process pursuant to SB374. It is with that in mind that I submit this public comment on behalf of one of my clients, Mr. Chris Francy.

BACKGROUND

Nevada's new medical marijuana law, SB374, ushers in sweeping changes to the State's medical marijuana policy. Early drafts of the bill required potential applicants to be residents of the State of Nevada for three years prior to submitting an application. It is unquestionable that the legislators included such language in order to protect the interests of Nevada residents in this new industry. Subsequent drafts of the bill removed the residency requirement, ostensibly out of fears that it may not have passed constitutional muster. Nevertheless, the final draft of the bill did include provisions which may allow for preference to be given to applicants who have a history of paying taxes in Nevada or who have made charitable contributions to the state. As such, it is unquestionable that it was the legislature's intent to provide a preference to applicants who are residents of Nevada.

COMMENT

It is my understanding that the Division intends to evaluate medical marijuana establishment applications on an individual basis, awarding points to each applicant based upon

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the applicant's satisfaction of the criteria of merit listed in SB374. During the workshop in Carson City, Nevada on December 23, 2013 and during past workshops several people have commented requesting that Nevada residents be given preference or additional points during the evaluation process. My client would like to voice his support of the previous comments made supporting additional points being given to Nevada residents. Providing additional points to Nevada residents will help keep more of the funds generated by the industry in Nevada. Providing preference to Nevada residents will also serve to carry out the will of the legislature.

One individual commented at the workshop on December 23, 2013, expressing a preference that the Division require or give additional points to companies that have at least fifty percent ownership by Nevada residents. My client supports such an inclusion in the regulations or the evaluation process of the applications. It is clear that the Nevada legislature intended preference to be given to Nevada residents and the Division should strive to carry out the will of the legislature.

I would be happy to address any questions or concerns the division may have.

Sincerely,

CONNOR & CONNOR PLLC

By: Derek J. Connor

DEREK J. CONNOR ESO.